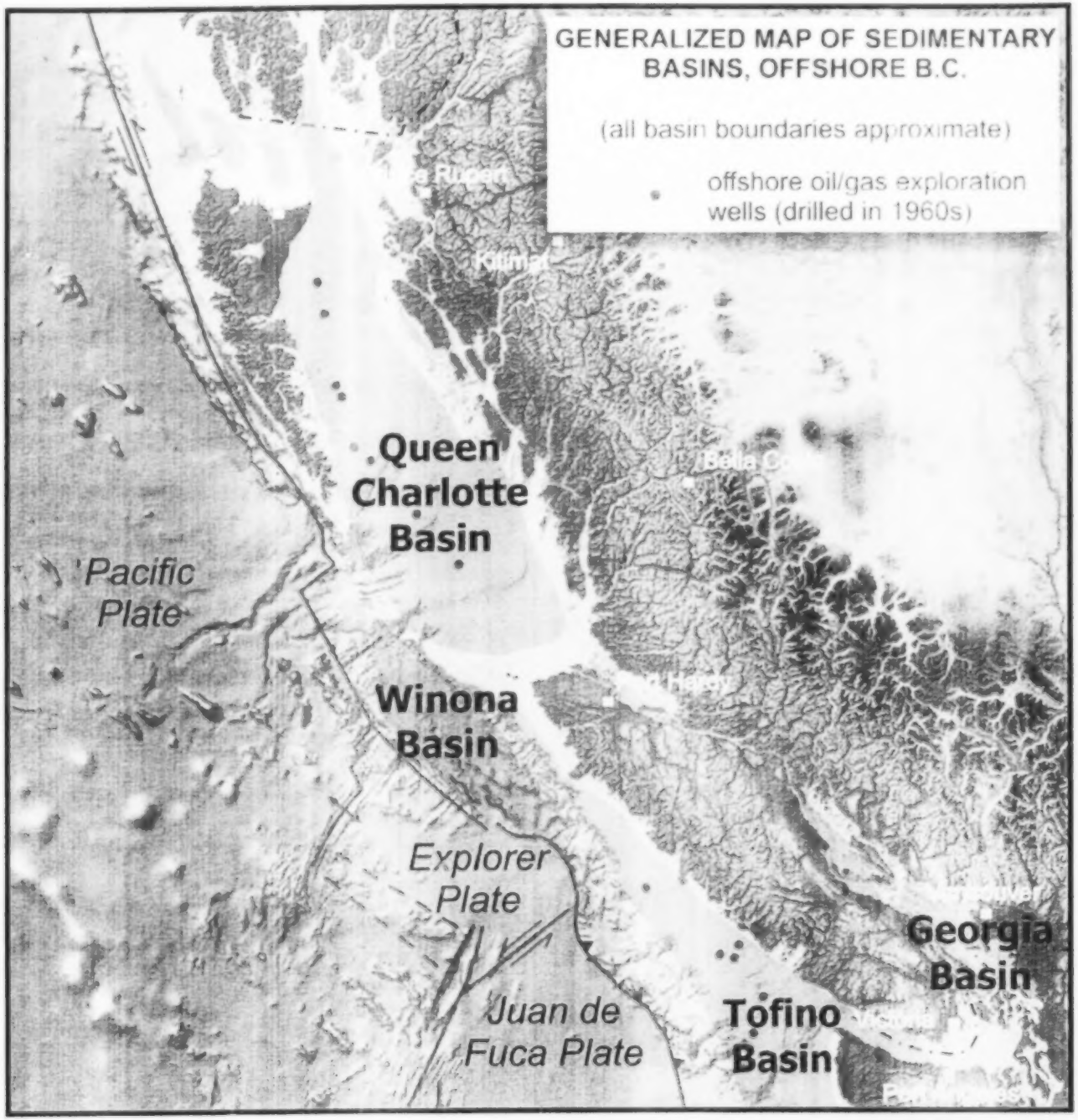
BRITISH COLUMBIA
Ministry of Energy and Mines

BC's Offshore Petroleum
Recent Developments

By Ron Smyth
Chief Science Officer
BC Offshore Oil and Gas Team

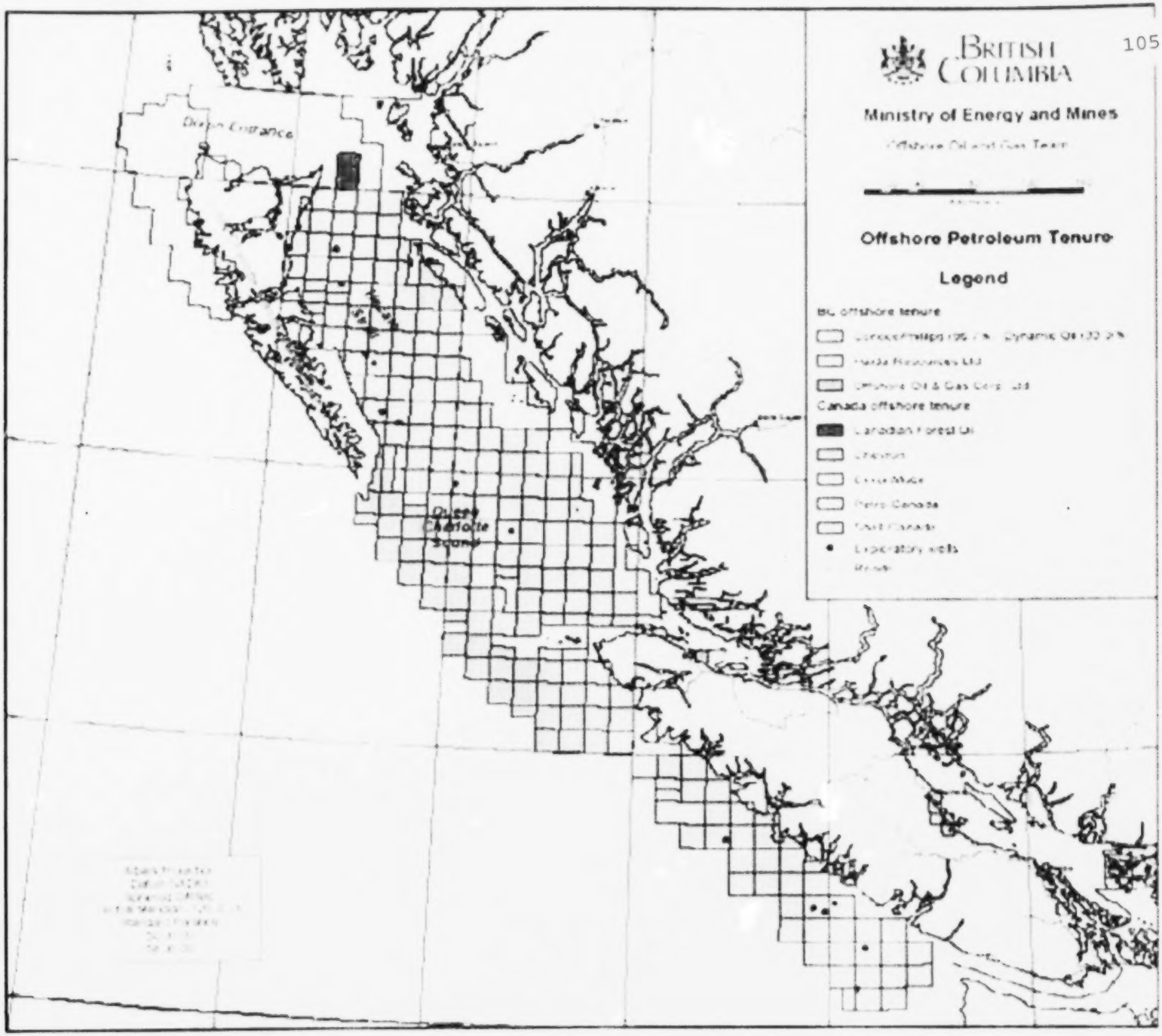
Presented to the Canadian Society of Petroleum Geologists, November 4th, 2004, Calgary


GENERALIZED MAP OF SEDIMENTARY BASINS, OFFSHORE B.C.
(all basin boundaries approximate)
offshore oil/gas exploration wells (drilled in 1960s)
Queen Charlotte Basin
Pacific Plate
Winona Basin
Explorer Plate
Juan de Fuca Plate
Tofino Basin
Georgia Basin

The First Explorers

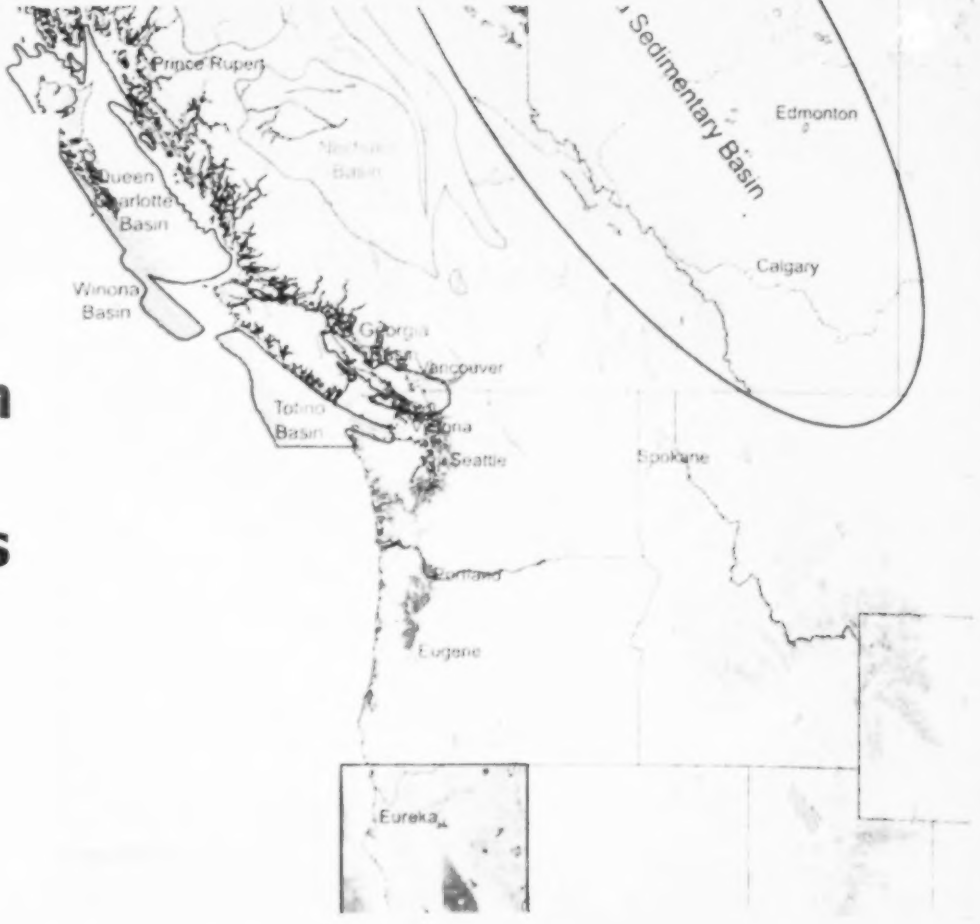
- **Shell Canada**
  - 1963 to 1968 **32, 300 km Seismic**
  - 1967 to 1969 **14 Wells**
- **Chevron Canada**
  - 1971 and 1972 **6, 225 km Seismic**
  - Proposed to Drill Two Wells
- **Other Tenure Holders**
  - Petro Canada
  - Exxon Mobil
  - Canadian Forest Oil

105-03374/


BRITISH COLUMBIA
Ministry of Energy and Mines
Offshore Oil and Gas Team
Offshore Petroleum Tenure
Legend
BC offshore tenure
Canada offshore tenure
Exploratory wells
Dixon Entrance
Queen Charlotte Sound

Alaskan Oil Shipments and the Federal Moratorium

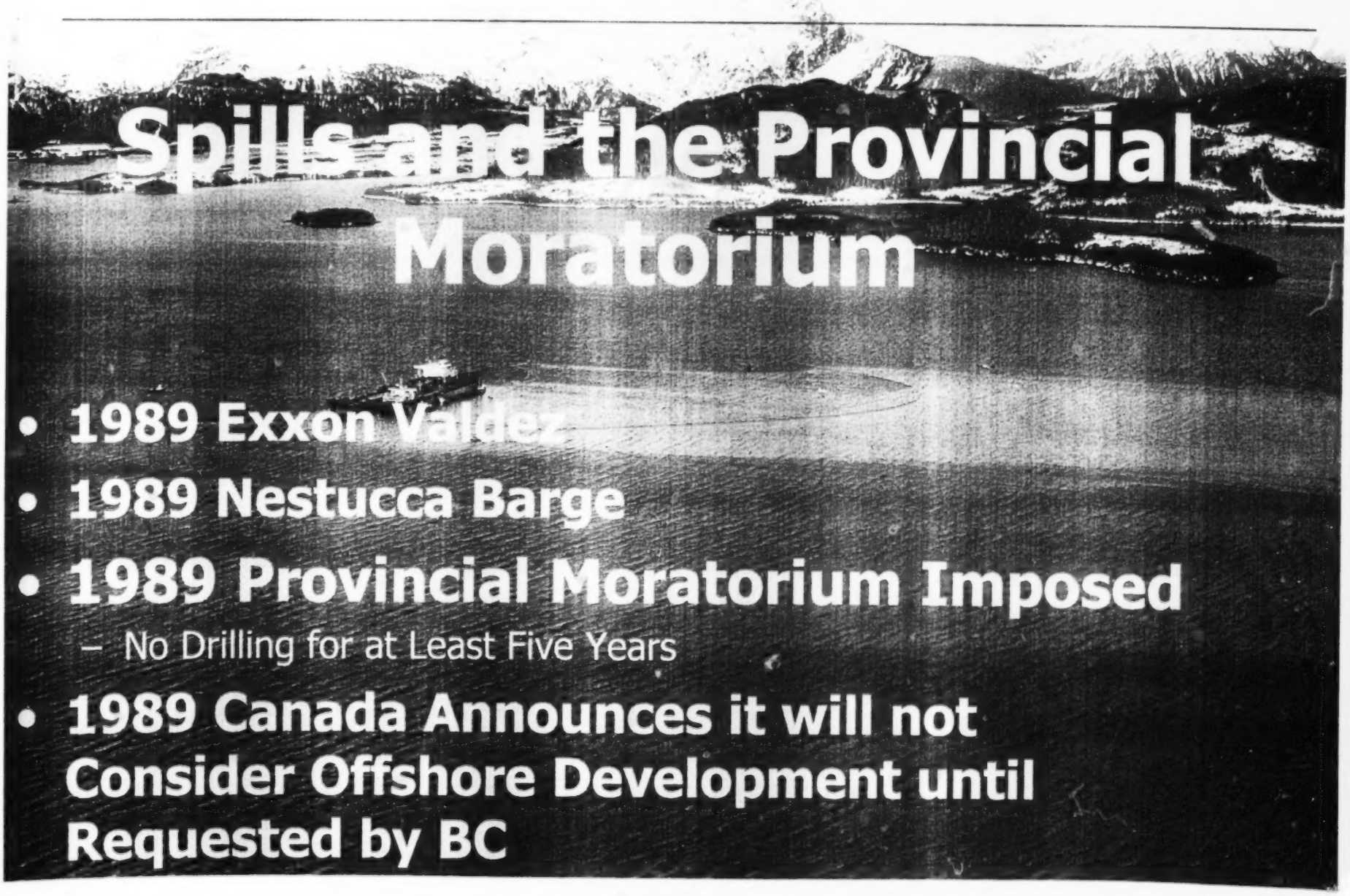
- **1971 BC Legislature Passes Resolution Opposing Tanker Traffic**
- **1972 Federal Moratorium Imposed to prevent Alaskan Crude Oil Tankers Traveling Through Dixon Entrance, Hecate Strait, and Queen Charlotte Sound**



Lifting the Moratorium – First Attempt

- **1984 - 1986 Independent Federal-Provincial Review Panel to Assess Effects of Offshore Oil and Gas Exploration**
  - Proponents: Chevron Canada
    Petro - Canada inc. (Later Withdrew)
  - **Concluded Exploration Could Proceed if 92 Recommendations met**

- **1986 - 1989 BC & Canada Negotiations on Management & Jurisdiction of Offshore Oil & Gas**
  - **Draft Pacific Accord**


Spills and the Provincial Moratorium
• 1989 Exxon Valdez
• 1989 Nestucca Barge
• 1989 Provincial Moratorium Imposed
– No Drilling for at Least Five Years
• 1989 Canada Announces it will not Consider Offshore Development until Requested by BC

New Geology, Improved Resources

- **1987-1990 GSC's Frontier Geosciences Program**
  - **1200km seismic**
- **1998 GSC Revised Petroleum Resource Assessment of West Coast Basins (OF)**
  - **9.8 BBL Oil**
  - **43.4 TCF Gas (25.9 TCF gas in place in QCB)**
- **2001 GSC Bulletin 564**
  - Hannigan, Dietrich, Lee, Osadetz

Lifting the Moratorium
– Second Attempt

BC	Canada
2001 Technology Review (Jacques Whitford report)	
2002 Scientific Panel (Strong Report)	
2002 MLA Task Force Public Hearings	
BC Requested Canada to Consider Lifting the Moratorium	
2003 Offshore Team Created	**2003 RSC Science Panel Report** (Hall Report, 2004)
	2004 Public Review (Priddle) –Views of Public –Examine Environmental + Socio Economic Impacts
	2004 First Nations Engagement (Brooks)

Lifting the Moratorium – Second Attempt

BC

2001 Technology Review
(Jacques Whitford report)

2002 Scientific Panel
(Strong Report)

2002 MLA Task Force
Public Hearings

BC Requested Canada to Consider Lifting the Moratorium

2003 Offshore Team Created

Canada

- **Provided an adequate regulatory regime is in place, there are no science gaps that need to be filled before lifting the moratoria on oil and gas development**
- **The present restriction on tanker traffic ... should be maintained for the time being**

2003 RSC Science Panel Report
(Hall Report, 2004)

2004 Public Review (Priddle Panel)
–Views of Public
–Examine Environmental & Socio Economic Impacts

2004 First Nations Engagement
(Brooks)

The Future

- **Federal Government Decision on Moratorium**
- **Provincial Approach**
  - Management and Regulatory Regime
  - Regulatory Agency
  - Tenure Regime
  - Environmental Assessment
  - Fiscal Regime
  - First Nations
  - Coastal Communities/Local Benefits

The Future – Provincial Approach

- **Management and Regulatory Regime**
  - Jurisdiction and Ownership set Aside
  - Single Regime

- **Environmental Assessment**
  - "No Go" and Conditional areas identified early
  - BC and Canada recently signed an MOU on Implementation of Canada's Ocean Strategy on Pacific Coast

The Future – Provincial Approach

- **First Nations**
  - Provincial Government Must Meet its Obligations to First Nations:
    - Share of Benefits
    - Role in Decision Making
- **Coastal Communities/Local Benefits**
  - Government must consider views of coastal residents
  - Support Development of marine industries (Including Ocean Energy)